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STATE OF CALIFORNIA COMMISSION ON STATE MANDATES

REPORT TO THE LEGISLATURE: APPROVED MANDATE CLAIMS

January 1, 2004 – September 30, 2004

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EXECUTIVE SUMMARY

The Commission on State Mandates (Commission) adopted eleven statewide cost estimates during the period from January 1, 2004, through September 30, 2004. One of these estimates included costs for both school districts and local agencies. For the initial period of reimbursement, statewide cost estimates for eight new school district programs totaled \$30,842,073, and statewide cost estimates for four new local agency programs totaled \$13,967,373. The statewide cost estimates add up to \$44,809,446, and were not included in a local government claims bill or appropriated in the 2004-2005 Budget Act or trailer bills.

On May 4, 2004, the State Controller's Office (SCO) requested additional funds in the amount of \$1,731,492,609 (\$1,000,204,578 for local agencies, \$682,152,348 for school districts, and \$49,135,683 for community colleges) because of an overall appropriation deficiency. The Department of Finance denied this request.

However, through the Budget Act of 2004, budget trailer bills, and a proposed constitutional amendment, appropriations for ongoing and deficient mandate reimbursements were addressed by the Legislature and the Administration.

I. INTRODUCTION

The Commission on State Mandates (Commission) is required to report to the Legislature at least twice each calendar year on the number of mandates it has found, the estimated statewide costs of each mandate, and the reasons for recommending reimbursement.¹

On October 15, 2003, the Bureau of State Audits (BSA) issued an audit report on two mandated programs and the mandates process. The BSA issued one recommendation regarding the development of statewide cost estimates, stating:

To project more accurate statewide cost estimates, the Commission staff should more carefully analyze the completeness of the initial claims data they use to develop the estimates and adjust the estimates accordingly. Additionally, when reporting to the Legislature, the Commission should disclose the incomplete nature of the initial claims data it uses to develop the estimates.

After the Commission submits its second semiannual report to the Legislature, the Legislative Analyst is required to submit a report to the Joint Legislative Budget Committee and legislative fiscal committees on the mandates included in the Commission's reports. The Legislative Analyst's report shall make recommendations as to whether the mandate should be repealed, funded, suspended, or modified.²

Immediately upon receipt of this report, a local government claims bill, at the time of its introduction, shall provide for an appropriation sufficient to pay the estimated costs of these mandates approved by the Commission.³ The Legislature may amend, modify, or supplement the parameters and guidelines for mandates contained in the local government claims bill. If the Legislature changes the parameters and guidelines, it shall make a declaration in the local government claims bill specifying the basis for the amendment, modification, or supplement.⁴ If the Legislature deletes funding for a mandate from a local government claims bill, the local agency or school district may file an action in declaratory relief in the Superior Court of the County of Sacramento to declare the mandate unenforceable and enjoin its enforcement.⁵

If payment for an initial reimbursement claim is being made more than 365 days after adoption of the statewide cost estimate, the State Controller's Office (SCO) shall include accrued interest at the Pooled Money Investment Account rate.⁶

If the Legislature appropriates the amount of the statewide cost estimate and actual claims exceed this amount, the SCO will prorate the claims.⁷ If the deficiency funds are not appropriated in the Budget Act, the SCO reports this information to the legislative budget

¹ Government Code section 17600.

² Government Code section 17562, subdivision (c).

³ Government Code section 17612, subdivision (a).

⁴ Government Code section 17612, subdivision (b).

⁵ Government Code section 17612, subdivision (c).

⁶ Government Code section 17561.5, subdivision (a).

⁷ Government Code section 17567.

committees and the Commission. The Commission will then include the deficiency in its report to the Legislature in order to ensure that it is included in the next claims bill.

The Commission has approved other test claims during this and earlier periods, and those approvals often are made in part rather than in total. Approved mandates, however, are not reported until the Commission has adopted the parameters and guidelines and statewide cost estimates.

Table 1, on the next page, shows the statewide cost estimates that have been adopted during the period of January 1, 2003, through September 30, 2004.

**TABLE 1. Statewide Cost Estimates (SCE) Adopted
During the Period of January 1, 2004 – September 30, 2004**

Date SCE Adopted ⁸	Test Claim	<i>Estimated Costs</i>			
		Initial Period of Reimbursement (Fiscal years)	Education	Non- Education	Totals
03/25/04	<i>Presidential Primaries 2000, 99-TC-04</i>	1999-2000		\$1,167,736	\$1,167,736
05/27/04	<i>Immunization Records: Hepatitis B, 98-TC-05</i>	1997-1998 through 2004-2005	\$29,629,070		\$29,629,070
05/27/04	<i>Grand Jury Proceedings, 98-TC-27</i>	1997-1998 through 2004-2005	\$115,499	\$12,508,570	\$12,624,069
07/29/04	<i>Standards Based Accountability, 98-TC-10</i>	1997-1998 through 1998-1999	\$578,224		\$578,224
07/29/04	<i>School District Reorganization, 98-TC-24</i>	1997-1998 through 2004-2005	\$1,000		\$1,000
07/29/04	<i>Attendance Accounting, 98-TC-26</i>	1998-1999 (one-year only)	\$49,086		\$49,086
07/29/04	<i>Redevelopment Agencies: Tax Disbursement Reporting, 99-TC-06</i>	1998-1999 through 2004-2005		\$65,300	\$65,300
09/30/04	<i>Charter Schools II, 99-TC-03</i>	1999-2000 through 2004-2005	\$206,595		\$206,595
09/30/04	<i>Sexual Assault Education Programs, 99-TC-12</i>	1998-1999 through 2004-2005	\$0		\$0
09/30/04	<i>Criminal Background Checks II, 00-TC-05</i>	1999-2000 through 2004-2005	\$262,599		\$262,599
09/30/04	<i>Absentee Ballots: Tabulation by Precinct, 00-TC-08</i>	1999-2000 through 2004-2005		\$225,767	\$225,767
TOTALS			\$30,842,073	\$13,967,373	\$44,809,446

⁸ If payment for an initial reimbursement claim is made more than 365 days after adoption of the statewide cost estimate, the Controller shall include accrued interest at the Pooled Money Investment Account rate. (Gov. Code, § 17561.6, subd. (a).)

II. NEW MANDATES

Presidential Primaries 2000 (99-TC-04)

Elections Code Sections 15151 and 15375

Statutes 1999, Chapter 18 (SB 100)

Test Claim Filed: October 25, 1999

Reimbursement Period: 1999-2000

Initial Reimbursement Claims Filed: September 3, 2003

Statewide Cost Estimate: \$1,167,736

Adopted: March 25, 2004

Background

In 1999, Elections Code sections 15151 and 15375 were amended to ensure that California's presidential primary delegates would be recognized at the national party conventions held in the year 2000. The test claim legislation required local election officials to transmit both semi-final and final election results for presidential primaries in two separate tallies to the Secretary of State: first, the total number of votes each candidate received; and second, the number of votes each candidate received from registered voters of each political party and from the "declines-to-state" voters. On October 25, 2001, the Commission adopted its Statement of Decision that the test claim legislation constitutes a reimbursable state-mandated program upon local governments within the meaning of article XIII B, section 6, of the California Constitution and Government Code section 17514.

The pro rata portion of the purchase price of fixed assets and equipment, including computers, used to implement the *Presidential Primaries 2000* program is eligible for reimbursement. If these costs are claimed and reimbursed through *Absentee Ballots* (Stats. 1978, ch. 77), they cannot be claimed under the *Presidential Primaries 2000* program.

Statewide Cost Estimate

The statewide cost estimate was developed using unaudited, actual reimbursement claims filed by 34 claimants. The SCO provided summary claims data for fiscal years 1999-2000, 2000-2001, and 2001-2002. However, since this program was only required for the 2000 Presidential Primary Election, costs claimed for fiscal years 2000-2001 and 2001-2002 are not reimbursable, and thus, were not included in the statewide cost estimate.

In adopting the estimate, the Commission made the following assumptions:

1. The actual amount claimed may increase if late or amended claims are filed.
2. The claims may be excessive. Some counties may have filed for reimbursement for fixed assets that are being used for purposes other than implementing this mandate. For example, it appears that Humboldt County claimed \$273,760 for establishing a new tabulation system that not only allows the county to tabulate the votes twice for the 2000 Presidential Primary Election, but also updates the county's tabulation system for all elections.
3. Any reimbursement claim for this program may be reduced by the SCO if it is audited and deemed to be excessive or unreasonable.

Grand Jury Proceedings (98-TC-27)

Penal Code Sections 914, 933, 933.05, and 938.4

Statutes 1996, Chapter 1170 (SB 11457)

Statutes 1997, Chapter 443 (AB 829)

Statutes 1998, Chapter 230 (AB 1907)

Test Claim Filed: June 30, 1999

Initial Reimbursement Period: 1997-1998 through 2004-2005

Initial Reimbursement Claims Filed: February 3, 2004

Statewide Cost Estimate: \$12,624,069

Adopted: May 27, 2004

Background

Statutes 1996, chapter 1170, Statutes 1997, chapter 443, and Statutes 1998, chapter 230 added or amended Penal Code sections 914, 933, 933.05, and 938.4 to revise grand jury operations. On June 27, 2002, the Commission adopted its Statement of Decision that the test claim legislation constitutes a reimbursable state-mandated program upon local governments within the meaning of article XIII B, section 6, of the California Constitution and Government Code section 17514.

Statewide Cost Estimate

The statewide cost estimate is based on 276 unaudited, actual reimbursement claims. Eighteen cities, thirty-seven counties, 1 city and county, and 3 special districts filed two hundred and forty nine claims. Fifteen school districts filed 27 claims. Eight fiscal years are covered by the estimate of \$12,624,069. Of this amount, \$12,508,570 is for local agencies and \$115,499 is for school districts.

The estimate for fiscal years 1997-1998 through 2002-2003 is based on the actual reimbursement claims. Fiscal years 2003-2004 and 2004-2005 were projected by multiplying the prior year reimbursement claims total by the appropriate implicit price deflators as forecast by the Department of Finance.

In adopting the estimate, the Commission made the following assumptions:

1. The actual amount claimed may increase if late or amended claims are filed.
2. Twenty of the 58 counties have not filed any reimbursement claims for this program. Fifteen of the non-filing counties have populations less than 200,000 persons. If reimbursement claims are filed by the remaining five counties: San Diego, Contra Costa, Kern, San Joaquin, and Solano, the amount of reimbursement claims may exceed the statewide cost estimate.
3. Any reimbursement claim for this program may be reduced by the SCO if it is audited and deemed to be excessive or unreasonable.

Redevelopment Agencies—Tax Disbursement Reporting (99-TC-06)

Health and Safety Code Section 33672.7

Statutes 1998, Chapter 39 (SB 258)

Test Claim Filed: March 3, 2000

Initial Reimbursement Period: 1998-1999 through 2004-2005

Initial Reimbursement Claims Filed: March 26, 2004

Statewide Cost Estimate: \$65,300

Adopted: July 29, 2004

Background

The test claim legislation requires the county auditor to prepare annual tax disbursement statements for community redevelopment agency project areas. Prior law required that the auditor prepare such a statement only upon the request of a redevelopment agency. The enactment of Health and Safety Code section 33672.7 created new reporting requirements in that a statement must now be prepared for every community redevelopment agency project, regardless of whether one was requested. On October 24, 2002, the Commission adopted its Statement of Decision that the test claim legislation constitutes a reimbursable state-mandated program upon local governments within the meaning of article XIII B, section 6, of the California Constitution and Government Code section 17514.

The Commission adopted uniform cost allowances for this program pursuant to Government Code section 17557. Actual costs shall be claimed based on the following uniform allowance per tax disbursement statement as adopted by the Commission. The Implicit Price Deflator referenced in Government Code section 17523 shall adjust the uniform allowance each subsequent year.

Reimbursement is determined by multiplying the uniform allowance by the number of statements prepared for each project area.

Statewide Cost Estimate

The parameters and guidelines adopted by the Commission provides reimbursement for the preparation of a statement for each *project area* that provides the amount of disbursement made. However, the SCO's claiming instructions require counties to claim the number of statements prepared for every community redevelopment agency *project*. This results in a significant difference as there can be multiple projects within the boundaries of a project area. The test claim legislation specifically requires that a statement be prepared for each project *area* rather than for each project.

Consequently, the SCO's summary claims data are inaccurate, and thus, were not used to develop the statewide cost estimate. The SCO reports that it will contact claimants to discuss revising the claiming instructions and reducing claims.

The estimate for fiscal years 1998-1999 through 2003-2004 was based on the State Controller's *Community Redevelopment Agencies Annual Reports* and the uniform allowances adopted by the Commission. Fiscal year 2004-2005 was projected by multiplying the estimated claim total for fiscal year 2002-2003 by the implicit price deflator for 2003-2004, as forecast by the Department of Finance.

In adopting the estimate, the Commission made the following assumptions:

1. Each fiscal year, a statement was prepared for each redevelopment project area in the county.
2. The actual amount claimed may increase if late or amended claims are filed. Only four of the 58 counties filed reimbursement claims for this program. However, since this program is reimbursed using a uniform cost allowance of approximately \$21 to \$25 per redevelopment project area, a county would need to have a minimum of 40 redevelopment project areas in order to meet the \$1,000 filing threshold. Most counties cannot meet this threshold.
3. Based on the reported number of project areas, the County of Riverside has enough to meet the filing threshold. Therefore, even though the county has not filed reimbursement claims, it was included in the cost estimate. On the other hand, Contra Costa County did file reimbursement claims, but it did not report enough project areas to meet the \$1,000 claiming threshold in any fiscal year. Therefore, Contra Costa County was not included in this statewide cost estimate.
4. Any reimbursement claim for this program may be reduced by the SCO if it is audited and deemed to be excessive or unreasonable.

Absentee Ballots: Tabulation by Precinct (00-TC-08)

Elections Code Sections 15111, 15321, and 21000

Statutes 1999, Chapter 697

Test Claim Filed: March 12, 2001

Reimbursement Period: 1999-2000 through 2004-2005

Initial Reimbursement Claims Filed: June 1, 2004

Statewide Cost Estimate: \$225,767

Pending Action: September 30, 2004

Background

The test claim legislation requires county elections officials, for statewide elections or certain special elections conducted between June 1, 2000, and January 1, 2001, to tabulate, by precinct, votes cast by absentee ballots and votes cast at the polling place. The subject test claim legislation also requires the county elections official to make each precinct's election results available to the Legislature and appropriate legislative committees for use in district apportionment. Finally, the test claim legislation requires the elections official's list of absentee voters to include the voter's election precinct.

Statewide Cost Estimate

The statewide cost estimate is based on 18 unaudited, actual reimbursement claims filed by counties.

In adopting the estimate, the Commission made the following assumptions:

1. The claiming data is inaccurate. The parameters and guidelines adopted by the Commission for this program provide one-time reimbursement for specific administrative duties and election activities, and ongoing activities for certain list modifications. Most of the one-time activities were limited to a one-year period between January 1, 2000, and January 1, 2001. The ballot tabulation activity and transmitting election returns to the Secretary of State are only reimbursable for each election held between June 1, 2000, and January 1, 2001. Some of the administrative duties may have been claimed for multiple fiscal years.
2. The actual amount claimed may increase if late or amended claims are filed. To date, only 12 of the 58 counties filed reimbursement claims for this program. Thus, if reimbursement claims are filed by any of the remaining 46 counties, the amount of reimbursement claims may exceed the statewide cost estimate.
3. Many counties already had a software system implemented to accommodate tabulation of ballots by precinct prior to the reimbursement period for this program. Thus, costs for developing or modifying election equipment and software and testing should be minimal. Most counties will not be able to meet the \$1,000 filing threshold.
4. Any reimbursement claim for this program may be reduced by the SCO if it is audited and deemed to be excessive or unreasonable.

Immunization Records – Hepatitis B (98-TC-05)

Education Code Section 48216

Health and Safety Code Sections 120325, 120335, 120340, and 120375

Statutes 1978, Chapter 325 (AB 2260); Statutes 1979, Chapter 435 (AB 805);
Statutes 1982, Chapter 472 (SB 818); Statutes 1991, Chapter 984 (SB 407);
Statutes 1992, Chapter 13 (AB 2798); Statutes 1994, Chapter 1172 (AB 2971);
Statutes 1995, Chapters 219 and 415 (AB 382 and SB 1360);
Statutes 1996, Chapter 1023 (SB 1497);
Statutes 1997, Chapters 855 and 882 (SB 727 and AB 381)

California Code of Regulations, Title 17, Sections 6020, 6035,
6040, 6055, 6065, 6070, and 6075

Test Claim Filed: August 17, 1998

Initial Reimbursement Period: 1997-1998 through 2004-2005

Initial Reimbursement Claims Filed: March 26, 2004

Statewide Cost Estimate: \$29,629,070

Adopted: May 27, 2004

Background

The test claim legislation for *Immunization Records: Hepatitis B* added mumps, rubella, and hepatitis B to the list of diseases an entering student must be immunized against prior to first admission into a school. Hepatitis B immunizations were also required for students entering the seventh grade. In addition, the test claim legislation amended statutes that required the Department of Health Services to amend regulations relating to the monitoring, record keeping, reporting, and parent notification requirements relative to the enforcement of the pupil immunization requirements. On August 24, 2000, the Commission adopted its Statement of Decision that the test claim legislation constitutes a reimbursable state-mandated program upon school districts within the meaning of article XIII B, section 6, of the California Constitution and Government Code section 17514.

Pursuant to Government Code section 17557, the Commission adopted separate uniform cost allowances for this program for “new entrants” and “seventh grade pupils.” Uniform Cost allowances were adopted for each fiscal year between 1997-1998 and 2002-2003. Subsequent to 2002-2003, the uniform cost allowances shall be adjusted each fiscal year by the implicit price deflator referenced in Government Code section 17523.

Reimbursement for new entrants is determined by multiplying the uniform cost allowance for the appropriate fiscal year by the number of “New Entrants.” A “New Entrant” includes kindergarteners and out-of-state transfers. Reimbursement for seventh graders is determined by multiplying the uniform cost allowance for the appropriate fiscal year by the number of “Seventh Grade Pupils.” A “Seventh Grade Pupil” is any pupil advancing to the seventh grade, other than “New Entrants.”

Statewide Cost Estimate

The statewide cost estimate is based on 2,694 unaudited, actual reimbursement claims filed by school districts for fiscal years 1997-1998 through 2002-2003.

The estimate for fiscal years 1997-1998 through 2002-2003 is based on the claiming data provided by the SCO. Cost estimates for fiscal years 2003-2004 and 2004-2005 were projected using kindergarten and seventh grade enrollment data from the California Department of Education's (CDE) Dataquest web site. This mandate applies to new entrants and seventh grade pupils. New entrants are defined as kindergarteners and out-of-state transfers. However, this statewide cost estimate does not include projections for out-of-state transfers because according to the CDE's Educational Demographics Office, data is not collected for interstate transfers. Therefore, based only on kindergarten and seventh grade enrollment data, the Commission calculated enrollment figures for school years 2003-2004 and 2004-2005. Costs were estimated by multiplying the projected enrollment figures with the appropriate uniform cost allowance.

In adopting the estimate, the Commission made the following assumptions:

1. The claiming data is accurate, although unaudited.
2. The actual amount claimed will increase when late or amended claims are filed.
3. Any reimbursement claim for this program may be reduced by the SCO if it is audited and deemed to be excessive or unreasonable.

School District Reorganization (98-TC-24)

Education Code Sections 35704, 35705.5, and 35707

Statutes 1980, Chapter 1192 (AB 3018)

Statutes 1994, Chapter 1186 (SB 1537)

Test Claim Filed: June 30, 1999

Reimbursement Period: 1997-1998 through 2004-2005

Initial Reimbursement Claims Filed: February 3, 2004

Statewide Cost Estimate: \$1,000

Adopted: July 29, 2004

Background

On October 24, 2002, the Commission adopted its Statement of Decision finding that the test claim legislation constitutes a reimbursable state-mandated program upon county offices of education within the meaning of article XIII B, section 6 of the California Constitution and Government Code section 17514 for certain activities related to school district reorganizations initiated by voters, landowners or district governing boards.

Statewide Cost Estimate

Only county superintendents of schools or county offices of education participating in school district reorganizations initiated by voters or property owners (but not for those initiated by school district governing boards) are eligible to claim reimbursement. Costs incurred on or after July 1, 1997 for compliance with the mandate are reimbursable. No reimbursement claims have been filed for this program.

Under the existing mandates process, the amount of a statewide cost estimate is reported to the Legislature and introduced in a local government claims bill. Once the local government claims bill appropriates funds for the initial reimbursement period, the program's annual statewide estimated costs are placed in the State Budget. Since there are no claims on which to base this statewide cost estimate, the Commission adopted a statewide cost estimate of \$1,000 for this program. This estimate will initiate the process for informing the Legislature of the costs of the program and identifying the program in the State Budget. However, if reimbursement claims were filed on this program, the amount appropriated in the State Budget to fund this program would be deficient.

In adopting the estimate, the Commission made the following assumptions:

1. If this program were implemented, the actual amount claimed would exceed the statewide cost estimate because there would only be \$1,000 appropriated in the State Budget to fund the program.
2. Any reimbursement claim for this program may be reduced by the SCO if it is audited and deemed to be excessive or unreasonable.

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Standards-Based Accountability (98-TC-10)

Department of Education Standards-Based Accountability Memoranda,
Dated June 30, 1997, and April 15, 1998

Test Claim Filed: December 10, 1998

Reimbursement Period: 1997-1998 through 1998-1999

Initial Reimbursement Claims Filed: December 9, 2003

Statewide Cost Estimate: \$578,224

Adopted: July 29, 2004

Background

The California Department of Education (CDE) memoranda dated June 30, 1997, and April 15, 1998, require the State Board of Education and the Superintendent of Public Instruction to design, implement, and adopt statewide academically rigorous content standards in reading, writing, and mathematics to serve as the basis for assessing the academic achievement of individual pupils and of schools, school districts, and the California education system. On August 29, 2002, the Commission adopted its Statement of Decision determining that the above-named CDE memoranda imposes a reimbursable state-mandated program for school districts within the meaning of article XIII B, section 6, of the California Constitution and Government Code section 17514, by imposing reporting requirements on designated school districts to address the above CDE requirements.

Statewide Cost Estimate

The statewide cost estimate is based on 43 unaudited, actual reimbursement claims filed by 41 school districts. The Beardsley Elementary School District's claim for \$956 is not included in the statewide cost estimate because it is less than \$1,000, the minimum reimbursement amount.

In adopting the estimate, the Commission made the following assumptions:

1. The claiming data may be inaccurate. Summerville Elementary School District (enrollment of 474) filed reimbursement claims for \$12,199 in 1997-1998, and \$12,692 in 1998-1999. However, a school district of comparative size filed a reimbursement claim of approximately \$1,400.⁹ In fact, a school district with enrollment 20 times that of Summerville filed a smaller claim.¹⁰ Therefore, only \$1,500 per fiscal year was included in the cost estimate for Summerville Elementary School District.
2. The actual amount claimed could significantly increase if late or amended claims are filed. According to CDE, between 250-300 school districts were required to participate in this program for fiscal years 1997-1998 and 1998-1999. However, only 41 of the 500-600 school districts have filed reimbursement claims.
3. Any reimbursement claim for this program may be reduced by the SCO if it is audited and deemed to be excessive or unreasonable.

⁹ Soulsbyville School District, with enrollment of 679, filed a reimbursement claim for \$1,447 for the 1998-1999 fiscal year.

¹⁰ Palos Verdes Peninsula Unified School District, with enrollment of 9,543, filed a reimbursement claim for \$10,417 for the 1997-1998 fiscal year.

Attendance Accounting (98-TC-26)

Education Code Sections 2550.3 and 42238.7

Statutes 1997, Chapter 855 (SB 727)

Statutes 1998, Chapter 846 (SB 1468)

Test Claim Filed: June 29, 1999

Reimbursement Period: 1998-1999

Initial Reimbursement Claims Filed: February 3, 2004

Statewide Cost Estimate: \$49,086

Adopted: July 29, 2004

Background

The test claim arose from enactments of or amendments to the Education Code that added new student attendance reporting requirements for school districts and county offices of education. On October 24, 2002, the Commission adopted its Statement of Decision finding that Education Code sections 2550.3 and 42238.7 impose costs mandated by the state pursuant to Government Code section 17514, for the one-time activity for school districts and county offices of education to complete and return a "Worksheet for Determining the Adjusted 1998-99 Base Revenue Limit in Accordance with SB 727" to the Superintendent of Public Instruction.

Statewide Cost Estimate

The statewide cost estimate is based on 25 unaudited, actual reimbursement claims filed by 22 school districts and 3 county offices of education.

In adopting the estimate, the Commission made the following assumptions:

1. The actual amount claimed could increase if late or amended claims are filed. Only 25 out of over 1,000 school districts and county offices of education have filed reimbursement claims.
2. It is possible that late claims will not be filed for this program. According to a school district representative, no additional claims may be filed because:
 - The claimants probably no longer have the documentation to support reimbursement claims for fiscal year 1998-1999.
 - The cost to perform the reimbursable activity for many claimants may not have met the required \$1,000 claim minimum.
 - This is only a one-year program. School districts, particularly larger districts, may elect not to expend staff time to file for reimbursement for a one-year program.
3. Any reimbursement claim for this program may be reduced by the SCO if it is audited and deemed to be excessive or unreasonable.

Charter Schools II (99-TC-03)

Education Code Sections 47605, Subdivisions (j)(1) and (k)(3), 47605.5, 47607, and 47614
Statutes 1998, Chapters 34 and 673

Test Claim Filed: June 29, 1999

Reimbursement Period: 1999-2000 through 2004-2005

Initial Reimbursement Claims Filed: June 1, 2004

Statewide Cost Estimate: \$206,595

Pending Action: September 30, 2004

Background

The Commission has adopted two decisions related to the *Charter Schools* program:

- *Charter Schools I*. On July 21, 1994, the Commission adopted its Statement of Decision finding that Education Code sections 47605 and 47607, as added by Statutes 1992, chapter 781, require new activities related to initial charter school petitions and for monitoring and evaluating the performance of charter schools pertaining to the revision or renewal of approved charters.
- *Charter Schools II*. On November 21, 2002, the Commission adopted its Statement of Decision finding that Education Code sections 47605, subdivisions (j)(1) and (k)(3), 47605.5, 47607, and 47614, as added or amended by Statutes 1998, chapters 34 and 673, require new activities that replaces the previously approved mandate in *Charter Schools* for a review process for denied charter petitions.

The parameters and guidelines for the *Charter Schools II* program was consolidated with the original *Charter Schools* program on December 2, 2003. The period of reimbursement section of the consolidated parameters and guidelines states that costs for *Charter Schools* already claimed for fiscal years 1998-1999 through 2002-2003 are not reimbursable.

Statewide Cost Estimate

The statewide cost estimate is based on seven unaudited, actual reimbursement claims filed by two school districts and a county superintendent of schools.

In adopting the estimate, the Commission made the following assumptions:

1. The actual amount claimed will increase when late or amended claims are filed, and could exceed the statewide cost estimate.
2. Significant numbers of late claims will not be filed because the cost to perform the reimbursable activities for *Charter Schools II* are minimal when compared to the costs already claimed for the original *Charter Schools* mandate and are less than the \$1,000 minimum for filing an annual reimbursement claim.
3. The statewide cost estimate of this program will increase if the number of charter schools increase, the number of charter school petitions filed in fiscal year 2004-2005 increases, and/or the number of eligible claimants increases.
4. The costs of this program will decrease if the number of charter schools declines and/or the number of eligible claimants declines.

5. Any reimbursement claim for this program may be reduced by the SCO if it is audited and deemed to be excessive or unreasonable.

Sexual Assault Response Procedures (99-TC-12)

Education Code Section 67385

Statutes 1990, Chapter 423

Statutes 1995, Chapter 758

Test Claim Filed: June 21, 2000

Reimbursement Period: 1998-1999 through 2004-2005

Initial Reimbursement Claims Filed: June 7, 2004

Statewide Cost Estimate: \$0

Pending Action: September 30, 2004

Background

The test claim legislation requires the governing board of each community college district to adopt and implement a written procedure or protocols at each of their campuses or facilities to ensure that students, faculty and staff who are victims of sexual assault receive treatment and information. The statute specifies the minimum content of the written procedure or protocols.

Statewide Cost Estimate

At this time, no reimbursement claims have been filed for this program. Under the existing mandates process, the amount of a statewide cost estimate is reported to the Legislature and introduced in a local government claims bill. Once the local government claims bill appropriates funds for the initial reimbursement period, the program's annual statewide estimated costs are placed in the State Budget. Since there are no claims on which to base this statewide cost estimate, the Commission adopted a statewide cost estimate of \$0 for this program. This will initiate the process for informing the Legislature that there are no costs for this program. However, if reimbursement claims are filed on this program by June 6, 2005, a deficiency will be reported to the Legislature by the SCO.

In adopting the estimate, the Commission made the following assumptions:

1. Since the reimbursable activities are limited to the development and implementation of policies and procedures, which does not include the activities to carry out those policies and procedures, it is anticipated that most claimants will not meet the \$1,000 per year minimum filing threshold. Therefore it is unlikely that any claims will be filed on this program.
2. If claims were filed on this program, the actual amount claimed would exceed the statewide cost estimate because there would be no funds appropriated in the State Budget to fund this program.

Criminal Background Checks II (00-TC-05)

Education Code Sections 44830.1, 44830.2, 45125, 45125.01, and 45125.2

Statutes 1998, Chapters 594 and 840

Statutes 1999, Chapter 78

California Code of Regulations, Title 11, Sections 700-708

Test Claim Filed: December 15, 2000

Reimbursement Period: 1999-2000 through 2004-2005

Initial Reimbursement Claims Filed: June 7, 2004

Statewide Cost Estimate: \$262,599

Pending Action: September 30, 2004

Background

The Commission has adopted two decisions related to the *Criminal Background Checks* program:

- *Criminal Background Checks I.* In 1997, the Legislature enacted the Michelle Montoya School Safety Act that requires school districts to obtain criminal background checks on specified types of school district employees. School districts must also obtain criminal background checks of employees of entities that contract with the districts. The act also prohibits districts from employing or retaining temporary, substitute or probationary employees who have been convicted of a serious or violent felony. On March 25, 1999, the Commission adopted its Statement of Decision finding that this test claim imposes a reimbursable state-mandated program on school districts under article XIII B, section 6 of the California Constitution and Government Code section 17514.
- *Criminal Background Checks II.* In 1998 and 1999, the Legislature enacted legislation which added or amended Education Code sections relating to the following: criminal background checks of district employees, monitoring or separation of employees of construction contractors who work on school grounds, sending fingerprints to the Federal Bureau of Investigation (FBI), requesting from Department of Justice (DOJ) reports of subsequent arrest for employees, and storage and destruction of criminal record summaries. On February 27, 2003, the Commission adopted its Statement of Decision finding that Education Code sections 44830.1, 45125, 45125.01, and 45125.2 constitute new programs or higher levels of service for school districts within the meaning of article XIII B, section 6, of the California Constitution, and impose costs mandated by the state pursuant to Government Code section 17514.

Statewide Cost Estimate

The statewide cost estimate is based on 23 unaudited, actual reimbursement claims filed by six school districts.

In adopting the estimate, the Commission made the following assumptions:

1. The actual amount claimed will increase when late or amended claims are filed, and could exceed the statewide cost estimate.

2. Significant numbers of late claims will not be filed because the cost to perform the reimbursable activities for *Criminal Background Checks II* are minimal when compared to the costs already claimed for the original *Criminal Background Checks I* mandate and are less than the \$1,000 minimum for filing an annual reimbursement claim.
3. Any reimbursement claim for this program may be reduced by the SCO if it is audited and deemed to be excessive or unreasonable.

III. PENDING STATEWIDE COST ESTIMATES

**TABLE 2. Pending Statewide Cost Estimates
by Local Agencies and School Districts**

Local Agencies	School Districts
<i>Administrative License Suspension Per Se, 98-TC-16</i>	<i>Behavioral Intervention Plans, 4464*</i>
<i>Crime Victims' Domestic Violence Incident Reports, 99-TC-08*</i>	<i>Comprehensive School Safety Plans, 98-TC-01</i>
<i>Postmortem Exams: Unidentified Bodies, Human Remains, 00-TC-18</i>	<i>Pupil Promotion and Retention, 98-TC-19</i>
<i>Peace Officer Personnel Records: Unfounded Complaints and Discovery, 00-TC-24 and 00-TC-25</i>	<i>Stull Act, 98-TC-25*</i>
<i>False Reports of Police Misconduct, 00-TC-26*</i>	<i>Differential Pay & Reemployment, 99-TC-02</i>
<i>DNA Database, 00-TC-27*</i> -and <i>Amendment to Post Mortem Exams: Unidentified Bodies, 02-TC-39*</i>	<i>AIDS Prevention and Instruction II, 99-TC-07</i>
	<i>Enrollment Fee Collection, 99-TC-13* and Enrollment Fee Waivers, 00-TC-15*</i>
	<i>Teacher Incentive Program, 99-TC-15</i>
	<i>High School Exit Exam, 00-TC-06*</i>
	<i>Integrated Waste Management, 00-TC-07*</i>

* Currently in the parameters and guidelines phase.